



Judges' Retirement System
P.O. Box 942705
Sacramento, CA 94229-2705
Telecommunications Device for the Deaf - (916) 795-3240
(916) 795-3688, FAX (916) 795-1500

DISTRIBUTION OF JUDGES' RETIREMENT SYSTEM (JRS) EXTENDED SERVICE INCENTIVE PROGRAM (ESIP)

IMPORTANT

**Your Lump Sum payment or Rollover election cannot be processed until this form is received by
Judges' Retirement System, PO Box 942705, Sacramento, CA 94229-2705,
Instructions for completion of this form can be found on Pages 5 & 6.
Please type or print all responses.**

1. _____ 2. _____ - _____ - _____
Member Social Security Number
3. _____
Street Address City State Zip Code
4. () _____ - _____
Daytime Phone

Please choose one payment election, A, B, OR C, and enter all information. Notarized signatures ARE required regardless of which payment election you make.

SECTION A. Lump Sum Payment

5. _____ I elect to have my ESIP distribution paid directly to me in a Lump Sum. I understand that 20% of the taxable amount of my ESIP distribution will be withheld for Federal Income Tax.
6. _____ (Optional) In addition, withhold State of California Income Tax in the amount of \$ _____.

Member's Signature

Date (mm/dd/yyyy)

Spouse/Registered Domestic Partner's Signature

Date (mm/dd/yyyy)

County of _____, State of California

On _____ before me, _____, personally appeared.
Date (mm/dd/yyyy) Name, Title of Officer – e.g., "Jane Doe, Notary Public"

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within the instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)

SECTION B. Direct Rollover Election

NOTE: Do not submit a transfer form from your financial institution in lieu of this form.

7. _____ I elect to have my taxable ESIP lump sum payment be directly rolled over to:
8. Type of Account: _____ IRA _____ Other eligible retirement plan
9. _____ 10. _____
Name of Institution or Plan Account or Contract Number
11. _____ 12. _____ 13. _____
Street Address City State Zip Code
14. _____ 15. _____
Plan Name Plan Sponsor
14. _____ OR 15. _____
Routing Number and Check Digit Employer Identification Number

I certify that the institution or plan is eligible under the provisions of the Internal Revenue Code to accept a rollover by direct transfer and agrees to receive my JRS funds and deposit them as indicated.

16. _____
Member's Signature Date (mm/dd/yyyy)
- _____
Spouse/Registered Domestic Partner's Signature Date (mm/dd/yyyy)

County of _____, State of California

On _____ before me, _____, personally appeared.
Date (mm/dd/yyyy) Name, Title of Officer – e.g., "Jane Doe, Notary Public"

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within the instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

_____ (SEAL)

SECTION C. Partial Lump Sum Payment and Partial Rollover Election**NOTE: Do not submit a transfer form from your financial institution in lieu of this form.**

17. _____ I elect to receive \$_____ as Partial Lump Sum payment of my ESIP distribution, to be issued directly to me. I understand that 20% of this Partial Lump Sum payment of my ESIP distribution will be withheld for Federal Income Tax.
18. _____ (Optional) In addition, I elect to have \$_____ withheld for State of California Income Tax.

AND I elect to have the remaining balance of my taxable ESIP payment be directly rolled over to:

19. Type of Account: _____ IRA _____ Other eligible retirement plan
20. _____ 21. _____
Name of Institution or Plan Account or Contract Number
22. _____ 23. _____ 24. _____
Street Address City State Zip Code
23. _____ 24. _____
Plan Name Plan Sponsor
25. _____ OR 26. _____
Routing Number and Check Digit Employer Identification Number

I certify that the institution or plan is eligible under the provisions of the Internal Revenue Code to accept a rollover by direct transfer and agrees to receive my JRS funds and deposit them as indicated.

27. _____
Member's Signature Date (mm/dd/yyyy)
- _____
Spouse/Registered Domestic Partner's Signature Date (mm/dd/yyyy)

County of _____, State of California

On _____ before me, _____, personally appeared.
Date (mm/dd/yyyy) Name, Title of Officer – e.g., "Jane Doe, Notary Public"

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within the instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)

JUSTIFICATION FOR ABSENCE OF SPOUSE/REGISTERED DOMESTIC PARTNER'S SIGNATURE

Pursuant to Government Code Section 21261, the member's current spouse/registered domestic partner must be made aware of the selection of benefits. The spouse/registered domestic partner of a member of our System must acknowledge the submission of a request for lump sum payment or rollover of an ESIP distribution.

☐ I am not legally married or have a registered domestic partner: (choose appropriate box)

☐ Never married or had a registered domestic partnership

☐ Divorced/marriage/partnership terminated _____ / _____ / _____
Month Day Year

☐ Widowed _____ / _____ / _____
Month Day Year

☐ I am married/in a registered domestic partnership, but my spouse/registered domestic partner did not sign the form because either:

☐ I do not know and have taken all reasonable steps to determine the whereabouts of my spouse/registered domestic partner

OR

☐ My spouse/registered domestic partner has been advised of the application and has refused to sign the acknowledgement

OR

☐ My spouse/registered domestic partner is incapable of executing the acknowledgement because of an incapacitating mental or physical condition

OR

☐ My spouse/registered domestic partner has no identifiable community property interest in the benefit.

OR

☐ My spouse/registered domestic partner and I have executed a marriage/partnership settlement agreement which makes the community property law inapplicable to the marriage/partnership.

I hereby certify, under the penalty of perjury, that the foregoing information is true and correct.

28. _____
Signature of Member Date (mm/dd/yyyy)

INSTRUCTIONS FOR COMPLETING THE FORM FOR THE JRS ESIP DISTRIBUTION

1 - 4 Provide the requested information.

IMPORTANT - COMPLETE ONLY ONE SECTION – EITHER A, B, OR C

PLEASE NOTE:

- Your signature and that of your spouse/registered domestic partner, must be notarized.
- If a spouse/registered domestic partner's signature will not be provided, please complete
Page 4, Justification for Absence of Spouse/Registered Domestic Partner's Signature.

By completing Section A, you are electing to have a Lump Sum payment of your ESIP mailed directly to your home address. Be aware that a Lump Sum payment carries tax liabilities.

- Line #5 - Check to elect this option and complete Section A only.
- Line #6 - Provides you with the option to have State of California Income Tax withheld.

OR

Please be aware that if you are completing either Section B or C, you take responsibility for providing accurate information. The JRS will not investigate routing or account numbers for verification. Please check with the financial institution or plan administrator to obtain the correct information.

By completing Section B, you are requesting for a rollover of the taxable portion of your ESIP Lump Sum Distribution to a qualified plan.

- Line #7 – Check to elect this option and complete Section B only.
- Line #8 – **Type of Account.** Check the box that indicates whether your account will be transferred to an Individual Retirement Account (IRA) or another eligible retirement plan.
- Line #9 – **Name of Institution or Plan.** Provide the name of the financial institution or plan that will receive the funds.
- Line #10 – **Account or Contract Number.** Enter the account or contract number of the plan to which the money is to be transferred.
- Line #11 – **Address.** Provide the address of the financial institution or plan.
- Line #12 – **Plan Name.** Enter name of the plan.

- Line #13 – **Plan Sponsor** (for eligible retirement plans only). Enter the name of the plan's sponsor if different from the institution named in item Line #12.
- Line #14 – **Routing Number and Check Digit.** If the check is to be sent to a financial institution for deposit in an IRA or similar account, enter the nine-digit routing number and check digit of the financial institution.

OR

- Line #15 - **Employer Identification Number.** If the warrant is to be sent to an eligible plan sponsored by an employer, enter the plan's nine-digit employer identification number.
- Line #16 - Your signature and that of your spouse/registered domestic partner, to be signed in front of a certified Notary Public.

By completing Section C, you are electing a **partial Lump Sum payment** and a **partial Rollover of your ESIP**.

- Line #17 – Check and complete the total amount you elect to receive as a partial lump sum distribution. Complete Section C only.
- Line #18 – Provides you with the option to have State of California Income Tax withheld.
- Line #19 – **Type of Account.** Check the box that indicates whether the remainder of your ESIP distribution will be transferred to an Individual Retirement Account (IRA) or another eligible retirement plan.
- Line #20 – **Name of Institution or Plan.** Provide the name of the financial institution or plan that will receive the funds.
- Line #21 – **Account or Contract Number.** Enter the account or contract number of the plan to which the money is to be transferred.
- Line #22 – **Address.** Provide the address of the financial institution or plan.
- Line #23 – **Plan Name.** Enter name of the plan
- Line #24 – **Plan Sponsor.** (for eligible retirement plans only) Enter the name of the plan's sponsor if different from the institution named in item Line #22.
- Line #25 – **Routing Number and Check Digit.** If the check is to be sent to a financial institution for deposit in an IRA or similar account, enter the nine-digit routing number and check digit of the financial institution.

OR

- Line #26 - **Employer Identification Number.** If the warrant is to be sent to an eligible plan sponsored by an employer, enter the plan's nine-digit employer identification number.
- Line #27 – Your signature and that of your spouse/registered domestic partner, to be signed in front of a certified Notary Public.

Return completed forms to:

Judges' Retirement System, PO Box 942705, Sacramento, CA 94229-2705



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IMPORTANT TAX INFORMATION REGARDING YOUR JRS REFUND

The Judges Retirement and the Judges Retirement II Systems (JRS) are required to provide you with this notice under §402(f) of the Internal Revenue Code. The Internal Revenue Code provides several complex rules on the taxation of the amount that you receive as a refund of your contributions in the JRS. This notice merely summarizes these rules and is not intended as tax advice. You should promptly consult a tax advisor in deciding what course to follow with respect to your JRS refund. THE JRS CANNOT PROVIDE TAX ADVICE.

Note that Federal tax rules require the JRS to automatically deduct 20% Federal Tax Withholding from the taxable portion of your refund unless you elect to roll over the taxable portion by Direct Rollover to an Individual Retirement Arrangement (IRA) or other qualified plan.

Because of your separation from a JRS covered employment, a total refund of your contributions is an "eligible rollover distribution". Your distribution may also constitute a "lump sum distribution". Special tax rules apply to eligible rollover distributions and are described below:

Rollover

You may avoid current taxation on any portion of the taxable amount of an eligible rollover distribution by rolling over that portion into an IRA or another qualified employer retirement plan that accepts rollover contributions.

Not all distributions are eligible to be rolled over. Any distribution that is part of a series of substantially equal periodic payments made at least annually under a life annuity, over life expectancy or over a specified period of 10 or more years is ineligible to be rolled over. Also ineligible for rollover treatment is the amount of a distribution that is necessary to satisfy the minimum distribution requirements that apply after you turn age 70½.

A tax-free rollover of the taxable amount of an eligible rollover distribution is accomplished in one of two ways:

Regular Rollover

You may take an in-hand distribution and not later than 60 days after you receive the distribution, transfer the taxable portion of the distribution to an IRA or qualified plan that accepts rollover contribution;

OR

Direct Rollover

You may direct the JRS to transfer the taxable portion of the distribution to a specified IRA or a qualified plan that accepts rollovers after providing the JRS with any requested necessary information and completing and filing the required forms with the JRS.

Even if you plan to roll over the taxable portion of the eligible distribution, unless you elect a Direct Rollover, the JRS is required to withhold Federal taxes from the amount distributed at a rate of 20%.

A Direct Rollover is the only way to avoid the otherwise mandatory 20 percent withholding.

If you make a Regular Rollover, tax will be withheld even though you will not owe any taxes on the distribution. If the taxable amount of the distribution you would have received were it not for the withholding is more than the net distribution and you wish to roll over the total taxable amount you will have to make up the difference out-of-pocket. When filing your individual tax return you then can get a refund of the amount withheld to the extent you have no further tax liability.

FIVE YEAR AVERAGING

Generally, a lump sum distribution (as defined in §402(d) of the Internal Revenue Code, means a distribution of the entire amount in the plan, (account balance), within one taxable year that is made because of your death or separation from service, or after you reach age 50½. If your distribution qualifies under §403(d) of the Internal Revenue Code as a lump sum distribution and no part of your distribution is rolled over, you may be able to elect to have the distribution taxed under special five-year averaging rules rather than having the entire amount taxed as ordinary income. Use of the five-year averaging rules may reduce the amount of income tax you will be required to pay on this distribution. Five-year averaging may not be elected unless you have participated in the JRS, as the plan making the distribution, for any part of at least five years before the year of the distribution and unless you have attained age 59½ at the time of the distribution. Generally, you may elect five-year averaging only once.

If you attained age 50 before January 1, 1986, you may elect to have your lump sum distribution taxed under a special rule. Under this rule, you may elect to have the pre-1974 portion of a lump sum distribution taxed at a 20% rate; the remainder may be taxed either at ordinary income rates, under five-year averaging, or under special ten-year averaging provisions. If you elect ten-year averaging, 1986 tax rates will be used to compute the ten-year averaging provisions. Finally, you may elect to receive the special tax treatment described in this paragraph, (including five-year averaging), even if you are not age 59½. However, any ten-year averaging election made prior to January 1, 1987, and before attaining age 59½, does not count toward your election.

ADDITIONAL TAX ON EARLY DISTRIBUTIONS

As a result of changes in the law under the Federal Tax Reform Act of 1986 and conforming State of California legislation, early distributions from qualified retirement plans are now subject to an additional 10-percent Federal Penalty Tax and a 2½ % California Penalty Tax. In general, if you receive distribution from a qualified retirement plan before you reach age 59½, you must pay the additional Federal and State Penalty Tax on the taxable portion of the distribution, plus any income tax due on the distribution. There is no additional penalty tax on the portion of the distribution that is a return of you after-tax contributions.

For tax information or advice, see your tax consultant, the Internal Revenue Service, or the State Franchise Tax Board. Consult the financial institution of your choice for additional information about rollovers. Once again, the JRS does not, and cannot, provide tax advice.